



**UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 10**

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OFFICE OF
ECOSYSTEMS, TRIBAL AND
PUBLIC AFFAIRS

February 4, 2013

Peter Wikoff, Natural Resource Planner
U.S. Fish and Wildlife Service
1101 East Tudor Road, MS-231
Anchorage, Alaska 99503

Re: EPA comments on the USFWS Shadura Natural Gas Development Project Draft Environmental Impact Statement, EPA Project #12-0024-FWS.

Dear Mr. Wikoff:

Thank you for the opportunity to review the Draft Environmental Impact Statement for the Shadura Natural Gas Development project in the Kenai National Wildlife Refuge, Alaska (CEQ #20120390). We have reviewed the EIS in accordance with our responsibilities under Section 309 of the Clean Air Act and the National Environmental Policy Act.

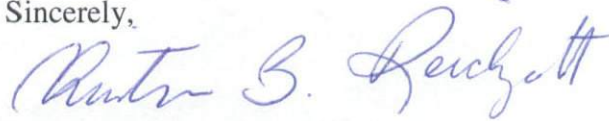
Section 309 specifically directs the EPA to review and comment in writing on the environmental impacts associated with all major federal actions as well as the adequacy of the EIS in meeting procedural and public disclosure requirements of NEPA. We also considered the goals of the June 2011 Memorandum of Understanding for Air Quality Analysis and Mitigation for Oil and Gas Activities on Federal Lands.

We have given the EIS an overall rating of LO (Lack of Objections). A description of our rating system is enclosed. We believe in general that issues of concern identified in scoping as well as potential environmental impacts were adequately evaluated in the Draft EIS. The mitigation incorporated into the alternatives, as well as the additional mitigation being considered by the USFWS, appears to reduce the more substantial impacts from this project. We also commend your agency for completing preliminary air quality analysis, including appropriate modeling, as per the 2011 MOU.

We would recommend that, if not completed already, the FWS work with the applicant to develop a draft Clean Water Act Section 404(b)(1) analysis for inclusion in the Final EIS. We believe this additional information will help better quantify potential impacts to aquatic resources, and will help to ensure a project that can be permitted under Section 404, since only the least environmentally damaging alternative can be permitted. Given that this project is small in scale and the EIS considers very similar components in each alternative (road access, pad and associated infrastructure), we believe that this analysis is quite practical at this stage in the evaluation.

Again, thank you for the opportunity to offer comments on this Draft EIS. Please contact me at (206) 553-1601 or by electronic mail at reichgott.christine@epa.gov or you may contact Jennifer Curtis of my staff in Anchorage at (907) 271-6324 or curtis.jennifer@epa.gov with any questions you have regarding our comments.

Sincerely,



Christine B. Reichgott, Manager
Environmental Review and Sediments Management Unit

Enclosure

**U.S. Environmental Protection Agency Rating System for
Draft Environmental Impact Statements
Definitions and Follow-Up Action***

Environmental Impact of the Action

LO – Lack of Objections

The U.S. Environmental Protection Agency (EPA) review has not identified any potential environmental impacts requiring substantive changes to the proposal. The review may have disclosed opportunities for application of mitigation measures that could be accomplished with no more than minor changes to the proposal.

EC – Environmental Concerns

EPA review has identified environmental impacts that should be avoided in order to fully protect the environment. Corrective measures may require changes to the preferred alternative or application of mitigation measures that can reduce these impacts.

EO – Environmental Objections

EPA review has identified significant environmental impacts that should be avoided in order to provide adequate protection for the environment. Corrective measures may require substantial changes to the preferred alternative or consideration of some other project alternative (including the no-action alternative or a new alternative). EPA intends to work with the lead agency to reduce these impacts.

EU – Environmentally Unsatisfactory

EPA review has identified adverse environmental impacts that are of sufficient magnitude that they are unsatisfactory from the standpoint of public health or welfare or environmental quality. EPA intends to work with the lead agency to reduce these impacts. If the potential unsatisfactory impacts are not corrected at the final EIS stage, this proposal will be recommended for referral to the Council on Environmental Quality (CEQ).

Adequacy of the Impact Statement

Category 1 – Adequate

EPA believes the draft EIS adequately sets forth the environmental impact(s) of the preferred alternative and those of the alternatives reasonably available to the project or action. No further analysis of data collection is necessary, but the reviewer may suggest the addition of clarifying language or information.

Category 2 – Insufficient Information

The draft EIS does not contain sufficient information for EPA to fully assess environmental impacts that should be avoided in order to fully protect the environment, or the EPA reviewer has identified new reasonably available alternatives that are within the spectrum of alternatives analyzed in the draft EIS, which could reduce the environmental impacts of the action. The identified additional information, data, analyses or discussion should be included in the final EIS.

Category 3 – Inadequate

EPA does not believe that the draft EIS adequately assesses potentially significant environmental impacts of the action, or the EPA reviewer has identified new, reasonably available alternatives that are outside of the spectrum of alternatives analyzed in the draft EIS, which should be analyzed in order to reduce the potentially significant environmental impacts. EPA believes that the identified additional information, data, analyses, or discussions are of such a magnitude that they should have full public review at a draft stage. EPA does not believe that the draft EIS is adequate for the purposes of the National Environmental Policy Act and or Section 309 review, and thus should be formally revised and made available for public comment in a supplemental or revised draft EIS. On the basis of the potential significant impacts involved, this proposal could be a candidate for referral to the CEQ.

* From EPA Manual 1640 Policy and Procedures for the Review of Federal Actions Impacting the Environment. February, 1987.